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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE, Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

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2016 MAR 30 P 3:09

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
ARIZONA-AMERICAN WATER COMPANY,
AN ARIZONA CORPORATION, FOR
AUTHORITY TO IMPLEMENT ARSENIC COST
RECOVERY MECHANISMS FOR ITS AGUA
FRIA WATER, SUN CITY WEST WATER,
HAVASU WATER AND TUBAC WATER
DISTRICTS.

DOCKET NO. W-01303A-05-0280

DECISION NO. 68310

NOTICE OF COMPLIANCE FILING

IN THE MATTER OF THE APPLICATION OF
ARIZONA-AMERICAN WATER COMPANY,
INC., AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE CURRENT FAIR
VALUE OF ITS UTILITY PLANT AND
PROPERTY AND FOR INCREASES IN ITS
RATES AND CHARGES BASED THEREON
FOR UTILITY SERVICE BY ITS SUN CITY
WEST WATER AND WASTEWATER
DISTRICTS.

DOCKET NO. WS-01303A-02-0867

IN THE MATTER OF THE APPLICATION OF
ARIZONA-AMERICAN WATER COMPANY,
INC., AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE CURRENT FAIR
VALUE OF ITS UTILITY PLANT AND
PROPERTY AND FOR INCREASES IN ITS
RATES AND CHARGES BASED THEREON
FOR UTILITY SERVICE BY ITS MOHAVE
WATER DISTRICT AND ITS HAVASU WATER
DISTRICT.

DOCKET NO. WS-01303A-02-0869

IN THE MATTER OF THE APPLICATION OF
ARIZONA-AMERICAN WATER COMPANY,
INC., AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE CURRENT FAIR
VALUE OF ITS UTILITY PLANT AND
PROPERTY AND FOR INCREASES IN ITS
RATES AND CHARGES BASED THEREON
FOR UTILITY SERVICE, ITS AGUA FRIA
WATER BY ITS ANTHEM WATER DISTRICT,
AND ITS ANTHEM/AGUA FRIA
WASTEWATER DISTRICT.

DOCKET NO. WS-01303A-02-0870

Arizona Corporation Commission

DOCKETED

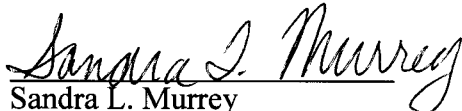
MAR 30 2016

DOCKETED BY

19

1 In compliance with Decision No. 68310, EPCOR Water Arizona Inc. hereby files the
2 attached 2015 Capital Structure Report.

3 RESPECTFULLY SUBMITTED on March 30, 2016.
4
5

6 
7 Sandra L. Murrey
8 Rate Analyst
9 EPCOR Water
10 2355 W. Pinnacle Peak Road, Suite 300
11 Phoenix, AZ 85027
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36 Original and 13 copies **filed**
37 on March 30, 2016 with:
38

39 Docket Control
40 Arizona Corporation Commission
41 1200 West Washington
42 Phoenix, Arizona 85007
43

44 Copies of the foregoing **emailed**
45 on March 30, 2016 to:
46

47 Brian K. Bozzo
48 Compliance and Enforcement Manager
49 Utilities Division
50 1200 West Washington Street
51 Phoenix, AZ 85007

1 in Staff's AIF Tariff Schedule, and as further modified at the hearing, shall be approved.

2 IT IS FURTHER ORDERED that Arizona-American Water Company shall comply with all
3 requirements discussed in this Order as a condition of approval of the Arsenic Cost Recovery
4 Mechanism.

5 IT IS FURTHER ORDERED that Arizona-American Water Company shall file a plan with
6 Docket Control by December 31, 2005 that describes how the Company expects to attain and
7 maintain a capital structure (equity, long-term debt, and short-term debt) with equity representing
8 between 40 and 60 percent of total capital.

9 IT IS FURTHER ORDERED that Arizona-American Water Company shall file, by April 1st
10 of each year subsequent to any year in which it collects surcharges under an ACRM, a report with
11 the Utilities Division Director showing the Company's ending capital structure by month for the
12 prior year.

13 IT IS FURTHER ORDERED that Arizona-American Water Company shall modify the rate
14 base calculation for the Havasu Water District to explicitly show a deduction for Arsenic Impact Fee
15 collections.

16 IT IS FURTHER ORDERED that, as part of the Earnings Test schedule filed in support of the
17 ACRM, Arizona-American Water Company shall incorporate adjustments conforming to Decision
18 No. 67093.

19 IT IS FURTHER ORDERED that Arizona-American Water Company shall file the schedules
20 discussed in its application, as modified by Staff's recommendations herein. Microsoft Excel or
21 compatible electronic versions of the filings and all work papers should be filed concurrently with all
22 ACRM filings.

23 IT IS FURTHER ORDERED that Arizona-American Water Company shall file permanent
24 rate applications for its Sun City West, Agua Fria, and Havasu districts by no later than April 30,
25 2008, based on a 2007 test year.

26 IT IS FURTHER ORDERED that, for the Havasu District, Arizona-American Water
27 Company shall file with Docket Control by January 31st of each year, an annual calendar year status
28 report, until the AIF Tariff is no longer in effect. The status report shall contain a list of all

EPCOR Water Arizona, Inc.
Capital Structure for 2015 (Defined as equity, long-term debt and short-term debt)
\$ millions

Compliance for Decision No. 68310

Equity
LT Debt
ST Debt
Total Capital

| | | | | | | | | | | | | |
|----|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> | <u>May</u> | <u>Jun</u> | <u>Jul</u> | <u>Aug</u> | <u>Sep</u> | <u>Oct</u> | <u>Nov</u> | <u>Dec</u> |
| \$ | 175.5 | \$ 175.7 | \$ 176.1 | \$ 177.2 | \$ 178.7 | \$ 178.1 | \$ 180.7 | \$ 183.2 | \$ 185.0 | \$ 187.4 | \$ 188.1 | \$ 178.9 |
| | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 | 231.0 |
| | 9.3 | 9.3 | 9.3 | 9.3 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 |
| \$ | 415.8 | \$ 415.9 | \$ 416.3 | \$ 417.5 | \$ 428.2 | \$ 427.6 | \$ 430.2 | \$ 432.7 | \$ 434.5 | \$ 436.9 | \$ 437.6 | \$ 428.3 |